

# Exhibit T

1                                   **UNITED STATES DISTRICT COURT**  
2                                   **FOR THE DISTRICT OF NEW JERSEY**

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3                   **UNITED STATES OF AMERICA,**

**CRIMINAL NUMBER:**

4                                   **v.**

**2:12-cr-00808-SRC-1**

5                   **TIGER MANAGEMENT, LLC,**

**SENTENCE**

6                                   **Defendant.**

**Pages 1 - 31**

7                   Frank Lautenberg Post Office & U.S. Courthouse  
8                   2 Federal Square  
9                   Newark, New Jersey 07102  
10                  Monday, December 12, 2012

11                   **B E F O R E:**

**THE HONORABLE STANLEY R. CHESLER**  
**UNITED STATES DISTRICT JUDGE**

12                   **A P P E A R A N C E S:**

13                   OFFICE OF THE UNITED STATES ATTORNEY  
14                   BY: CHRISTOPHER J. KELLY, ASST. UNITED STATES ATTORNEY  
15                   EVAN WHITE, ASST. UNITED STATES ATTORNEY  
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18                   For the Government

19                   GIBBONS PC  
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24                   For the Defendant

25                   **A L S O   P R E S E N T:**

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**GOVERNMENT  
EXHIBIT  
2701  
22 Cr. 240 (AKH)**

*United States District Court  
District of New Jersey*

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1 (PROCEEDINGS held in open court before The Honorable  
2 STANLEY R. CHESLER, United States District Judge, on December  
3 12, 2012).

4 THE COURTROOM DEPUTY: *United States of America vs.*  
5 *Tiger Asia Management, LLC.*

6 Please note your appearances for the record.

7 MR. KELLY: Good afternoon, Your Honor.

8 Assistant U.S. Attorney Chris Kelly on behalf of the  
9 Government. With me at counsel table is Evan White, Assistant  
10 United States Attorney, and FBI Special Agent Lindsay Garland.

11 THE COURT: Good afternoon.

12 MR. LUSTBERG: Good afternoon, Judge.

13 Lawrence S. Lustberg and Thomas R. Valen on behalf of  
14 the defendant, Tiger Asia Management, LLC. Bill Wong, the  
15 general partner of Tiger Asia Management, is present.

16 THE COURT: And good afternoon to you.

17 All right. I understand that Tiger Asia Management,  
18 LLC, has agreed to plead guilty to a one-count information,  
19 which the Government proposes to file in this matter.

20 Is that correct?

21 MR. LUSTBERG: That's correct, Your Honor.

22 THE COURT: All right. And, sir, give me the name of  
23 the --

24 MR. LUSTBERG: Mr. Wong.

25 THE COURT: Mr. Wong?

1 MR. LUSTBERG: Yes.

2 THE COURT: Okay. Mr. Wong, what's your position  
3 with Tiger Asia Management?

4 THE DEFENDANT: I'm a managing partner and CEO of  
5 that company.

6 THE COURT: Okay. And you heard what Mr. Lustberg  
7 just said a few moments ago?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: Is that in fact what Tiger Asia  
10 Management wishes to do in this case?

11 THE DEFENDANT: Yes, Your Honor.

12 THE COURT: Okay. Now, before I can accept a guilty  
13 plea in this matter, I have to satisfy myself that the  
14 decision of the defendant to plead guilty is a knowing,  
15 intelligent and voluntary one; that your company, through you,  
16 know exactly what rights you're going to be giving up and what  
17 the possible consequences of pleading guilty can be.

18 Since you are agreeing to plead guilty to an  
19 information, I also have to make sure that you understand what  
20 rights you're going to be giving up by pleading guilty to an  
21 information, so I'm going to ask you some questions for the  
22 next 15 or 20 minutes.

23 Please listen carefully. If there's anything you  
24 don't understand, tell me. I'll try to make it clearer. It's  
25 important you understand exactly what the results of these

1 proceedings can be.

2 All right, sir?

3 THE DEFENDANT: Yes, sir.

4 THE COURT: Okay. At this point, I'm going to ask  
5 Miss Trivino to please place Mr. Wong under oath.

6 SUNG KU WONG, DEFENDANT, DULY SWORN.

7 THE DEPUTY CLERK: Please state your full name for  
8 the record.

9 THE DEFENDANT: Sung Ku Wong. I go by Bill Wong  
10 sometimes.

11 THE COURT: Okay. Mr. Wong, you're now under oath.  
12 If you intentionally give a false answer to any of the  
13 questions which I ask you, you may be prosecuted for perjury.

14 Do you understand that, sir?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: Okay. Now, the one-count information  
17 which the Government proposes to file in this case charges  
18 Tiger Asia Management, LLC, with a violation of the wire fraud  
19 statutes of the federal criminal code, in particular a  
20 violation of Title 18 United States Code Section 19 --

21 MR. LUSTBERG: 1343, Judge.

22 THE COURT: All right. Title 18 U.S. Code Section  
23 1343.

24 Now, the information in particular charges that from  
25 in or about December of 2008 through in or about January of

1 2009, in the District of New Jersey and elsewhere, the  
2 defendant, Tiger Asia Management, LLC, did knowingly devise  
3 and intend to devise a scheme and artifice to defraud and to  
4 obtain money and property by means of materially false and  
5 fraudulent pretenses, representations and promises.

6 It further alleges that the object of the scheme was  
7 for the defendant, Tiger Asia Management, to agree to be  
8 brought "over the wall" in order to receive confidential  
9 material and nonpublic information regarding impending block  
10 sales of stock and then improperly and unlawfully use that  
11 information to engage in profitable securities trades.

12 And in reviewing the additional allegations in this  
13 complaint, it appears that the gist of that activity was to  
14 use that nonpublic information in order to then acquire -- in  
15 order to then sell shares in particular stocks in short sales.

16 And by short-selling them in advance of the impending  
17 block sale, to be able to sell those shares of stock at a  
18 higher price and then to permit Tiger Asia Management to cover  
19 those short sales by purchasing the shares of those same  
20 stocks which they had sold at a lower price through the block  
21 sale.

22 And am I essentially correct, counsel, in what I've  
23 described as the scheme here?

24 MR. KELLY: Yes, Your Honor.

25 MR. LUSTBERG: Yes, Judge.

1           THE COURT: Okay. Now, it is further charged that in  
2 furtherance of that scheme, Tiger Asia Management caused --  
3 transmitted and intentionally caused to be transmitted by  
4 means of wire communications and interstate and foreign  
5 commerce certain writings, signs, signals, pictures and  
6 sounds, to wit, a short sale of approximately 7,310,000 shares  
7 of Bank of China stock, which cleared electronically through  
8 Tiger Asia Fund, L.P.'s account at Morgan Stanley.

9           All right. Now, do you understand the charges that  
10 are presented in this case, sir?

11          THE DEFENDANT: Yes, Your Honor.

12          THE COURT: Okay. Now, the maximum sentence which  
13 can be imposed in this matter is, first of all, a special  
14 assessment of \$400;

15          Secondly, to pay restitution, which is to pay back  
16 any money which was lost as a result of your conduct;

17          Three, to give notice to any victims of your conduct;  
18 and

19          Four, to require the company to serve a term of  
20 probation of not less than one year but not more than  
21 five years.

22          In addition, under the plea agreement, Tiger Asia  
23 Management, LLC, has agreed to forfeit to the United States an  
24 amount -- the amount of \$16,257,918 in U.S. currency.

25          Now, that is the possible -- those are the possible

1 sentences that can be imposed in this case.

2 Do you understand that, sir?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Okay. Now, I mentioned that it's my  
5 understanding that you wish to agree to have the Tiger Asia  
6 Management plead guilty to an information.

7 Normally, a defendant, when facing charges in federal  
8 court, has a right to have the matter presented to a federal  
9 grand jury before there are any further proceedings and, in  
10 particular, before a defendant is called upon to enter a  
11 guilty plea or not guilty plea to criminal charges.

12 A grand jury consists of a group of between 16 and  
13 23 citizens. Their job is to hear evidence presented by the  
14 U.S. Attorney and, after hearing the evidence presented by the  
15 U.S. Attorney, to decide whether, based upon that evidence,  
16 they have heard evidence which demonstrates probable cause to  
17 believe that the defendants committed the crime that the  
18 Government proposes to charge.

19 They hear the evidence and they vote. If a majority  
20 of the grand jurors find that there is indeed probable cause  
21 to believe a defendant committed the crime that the Government  
22 seeks to charge the defendant with, then they direct the U.S.  
23 Attorney to file an indictment.

24 If a majority does not find that there's probable  
25 cause, they direct the U.S. Attorney to dismiss all charges.



1 Under the federal system, no defendant can be brought  
2 to trial or be required to enter a guilty or not guilty plea  
3 to a serious federal charge unless a grand jury has in fact  
4 heard the evidence and returned an indictment.

5 My understanding is that as a part of your plea  
6 agreement in this case, Tiger Asia Management has agreed to  
7 give up their right to have this matter presented to a grand  
8 jury and instead consented to have the U.S. Attorney file what  
9 I've referred to as an information.

10 An information is a charge which is signed only by  
11 the United States Attorney. It does not require any grand  
12 jury consideration or action.

13 But if you agree to the filing of that information  
14 and I accept it for filing, then that information will have  
15 the same effect as if a grand jury had indicted Tiger Asia  
16 Management on those charges and the case will proceed as if  
17 they had been indicted.

18 Do you understand that, sir?

19 THE DEFENDANT: Yes, sir, Your Honor.

20 THE COURT: And have you discussed your decision and  
21 Tiger Asia Management's decision to agree to waive indictment  
22 with Mr. Lustberg?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: And I assume that he has recommended that  
25 as a part of this overall plea agreement that Tiger Asia

1 Management agree to waive indictment in this case.

2 Is that correct?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Has he also explained why he made that  
5 recommendation?

6 THE DEFENDANT: Yes, Your Honor.

7 THE COURT: Are you satisfied with the explanation  
8 which he has given you and Tiger Asia Management?

9 THE DEFENDANT: Yes, Your Honor.

10 THE COURT: And based upon that, do you in fact agree  
11 to waive indictment in this case?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: Okay. You should have a waiver of  
14 indictment form in front of you.

15 Do you have that there?

16 THE DEFENDANT: Yes, Your Honor.

17 THE COURT: And is that your signature as a  
18 representative of Tiger Asia Management, LLC?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: Have you read that entire waiver form?

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: Have you discussed it with Mr. Lustberg?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: And did you sign that in court earlier  
25 today?

1 MR. LUSTBERG: Judge, he signed it in my office,  
2 actually.

3 THE COURT: Okay. Do me a favor. Just sign it again  
4 right now. The statute has interesting wording which says  
5 that it has to be signed in open court, so we will comply with  
6 the statute.

7 (Witness complies.)

8 THE COURT: And, Mr. Lustberg, you can sign as a  
9 witness now.

10 MR. LUSTBERG: Done.

11 THE COURT: All right. The Court is satisfied.

12 MR. LUSTBERG: Your Honor, do you wish me to hand  
13 this up?

14 THE COURT: Yes, please.

15 The Court is satisfied that Tiger Asia Management's  
16 decision to waive indictment in this matter is a knowing,  
17 intelligent and voluntary one, and the information will be  
18 accepted for filing.

19 Now, sir, I've already asked you if you understand  
20 the charges and possible penalties in this case and you've  
21 indicated that you do, correct?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: Okay. Now, apart from the rights which  
24 Tiger Asia Management gives up by agreeing to waive indictment  
25 in this case, it also gives up a number of rights which it

1 would otherwise have by pleading guilty in this case.

2 If, instead of pleading guilty, Tiger Asia Management  
3 entered a not guilty plea, it would have a right to a trial by  
4 jury.

5 At that trial it would have the right to confront and  
6 cross examine any witnesses who testified against you --  
7 against it. It would also have the right to rely upon the  
8 Fifth Amendment -- I'm sorry.

9 It would have the right to rely upon the presumption  
10 of innocence, and Tiger Asia Management would be presumed  
11 innocent unless and until the Government proved its guilt  
12 beyond a reasonable doubt.

13 In fact, it could not be convicted unless and until  
14 the Government proved its guilt beyond a reasonable doubt and  
15 a jury unanimously found that the Government had met that  
16 burden.

17 Additionally, Tiger Asia Management would have the  
18 right to present the witnesses on its own behalf if it chose  
19 to present a defense and it would have the right to the  
20 assistance of the Court in helping produce those witnesses,  
21 and the Court would do that by issuing subpoenas to compel the  
22 appearances of those witnesses in court.

23 By pleading guilty, it gives up all those rights. It  
24 is as if a jury heard all the evidence and, after hearing all  
25 the evidence, unanimously found that the Tiger Asia

1 Management's guilt had been established beyond a reasonable  
2 doubt.

3           So if I accept the guilty plea, there will be no  
4 trial in this case. The next stage of these proceedings will  
5 simply be sentencing.

6           Do you understand that, sir?

7           THE DEFENDANT: Yes, Your Honor.

8           THE COURT: Okay. And understanding that, is it  
9 still Tiger Asia Management's desire to enter a guilty plea in  
10 this case?

11          THE DEFENDANT: Yes, Your Honor.

12          THE COURT: Okay. Now, you should have a plea  
13 agreement in front of you.

14          THE DEFENDANT: Yes.

15          THE COURT: It is a letter addressed to Mr. Lustberg.  
16 It is dated August 27, 2012. It's signed on page 4 by  
17 Mr. Kelly, the Assistant U.S. Attorney.

18          And if you'll please take a look on page 5, the  
19 signature page, is that your signature there?

20          THE DEFENDANT: Yes, Your Honor.

21          THE COURT: Okay. And you've signed it as general  
22 manager for and on behalf of Tiger Asia Management, LLC,  
23 correct?

24          THE DEFENDANT: Yes, Your Honor.

25          THE COURT: Okay. Have you read that entire plea

1 agreement?

2 THE DEFENDANT: Yes, Your Honor.

3 THE COURT: Have you discussed it with Mr. Lustberg?

4 THE DEFENDANT: Yes, Your Honor.

5 THE COURT: Have you discussed it with the management  
6 of the LLC?

7 THE DEFENDANT: Uh.

8 MR. LUSTBERG: Is there any other -- are there any  
9 other management --

10 THE COURT: Are there any other management besides  
11 you?

12 THE DEFENDANT: My wife owns 1 percent.

13 THE COURT: Okay.

14 THE DEFENDANT: I have discussed it with her.

15 THE COURT: Fine.

16 Do you understand what's contained in this plea  
17 agreement?

18 THE DEFENDANT: Yes, sir.

19 THE COURT: Okay. Now, it contains some promises  
20 about what the U.S. Attorney's Office is prepared to do in  
21 exchange for Tiger Asia Management's pleading guilty in this  
22 case.

23 The first thing I want to know is whether or not any  
24 promises have been made to Tiger Asia Management in order to  
25 try to get it to plead guilty in this case which are not

1 contained in this plea agreement.

2 THE DEFENDANT: No.

3 THE COURT: Has anybody threatened you or anyone  
4 associated with Tiger Asia Management in order to try to get  
5 it to plead guilty?

6 THE DEFENDANT: No one.

7 THE COURT: Okay. Now, I -- looking at this plea  
8 agreement, it is apparent to me that the parties have agreed  
9 upon what sentence they're going to be asking the Court to  
10 impose in this case. All right?

11 Apart from that and the promises made in this plea  
12 agreement, have any other promises been made to you --

13 THE DEFENDANT: No, sir.

14 THE COURT: -- to induce a plea? Okay.

15 Now, as I've said, it appears that indeed you folks  
16 have agreed on what the sentence should be in this case,  
17 correct?

18 THE DEFENDANT: Yes, Your Honor.

19 THE COURT: And do you, sir, agree --

20 THE DEFENDANT: Yes, sir.

21 THE COURT: -- with that? Okay.

22 I'd like you to take a look at Schedule A. All  
23 right. Schedule A is essentially your agreement about the  
24 sentence in this case.

25 Correct?

1 THE DEFENDANT: Yes, Your Honor.

2 THE COURT: Okay. And do you agree to all the  
3 provisions that are contained in the Schedule A?

4 THE DEFENDANT: Yes, Your Honor.

5 THE COURT: Okay. Now, Schedule A also says in  
6 paragraph 6 that if I sentence you in accordance with the  
7 agreements contained on the Schedule A, Tiger Asia Management  
8 will not appeal or make any other type of postconviction  
9 attack or challenge to the sentence or the conviction in this  
10 case.

11 Do you see that, sir?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: Have you discussed that with  
14 Mr. Lustberg?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: All right. And I assume he has  
17 recommended that you agree to that provision.

18 THE DEFENDANT: Yes, Your Honor.

19 THE COURT: I also assume he's explained to you why  
20 he made that recommendation.

21 Has he?

22 THE DEFENDANT: Yes.

23 THE COURT: Are you satisfied with the explanation  
24 which he has given you?

25 THE DEFENDANT: Yes.



1 THE COURT: Okay. Do you understand that if indeed I  
2 give you a sentence which is in accordance with your agreement  
3 with the U.S. Attorney's Office, that you will never again,  
4 and, in particular, Tiger Asia Management will never again, in  
5 any way, shape or form, be able to challenge or appeal the  
6 conviction and the sentence in this case?

7 Do you understand that?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: Do you agree to that, sir?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: Okay. Let me just see counsel at side  
12 bar for one moment.

13 (There is a discussion off the record.)

14 THE COURT: Okay. Now, with regard to possible  
15 penalties, I want to make sure you understand exactly what the  
16 possible penalties are. I've gone over some of them, but I  
17 want to go over the issue of probation and possible fines a  
18 bit more thoroughly.

19 Tiger Asia Management can be sentenced to a fine of  
20 up to either \$500,000 or twice the amount of money that was  
21 gained as a result of the criminal conduct or twice the loss  
22 to any victims as a result of the criminal conduct, whichever  
23 of the three is larger.

24 Do you understand that?

25 THE DEFENDANT: Yes, sir.

1           THE COURT: Additionally, you can be placed on -- the  
2 company can be placed on probation for a minimum of one year  
3 and up to five years of probation.

4           Do you understand that?

5           THE DEFENDANT: Yes, Your Honor.

6           THE COURT: Now, I -- when I was reviewing  
7 Schedule A, I indicated to you that you and the U.S. Attorney  
8 have appeared to have agreed upon the sentence that will be  
9 recommended to me in this case.

10           What I do want to make sure you understand is that  
11 while you and the U.S. Attorney have agreed in the Schedule A  
12 as to what the recommended sentence will be, the Court is not  
13 bound by your agreement.

14           The Court, if it accepts your guilty plea or Tiger  
15 Asia Management's guilty plea in this case, has the right to  
16 impose any sentence up to the maximum that I explained to you  
17 earlier as long as in conformity with the guidelines, which  
18 are -- sentencing guidelines, which are recommendations only,  
19 but the Court does have to consider them, and as long as it is  
20 no tougher than the maximum sentence which I've explained to  
21 you a few moments ago.

22           Do you understand that?

23           THE DEFENDANT: Yes, Your Honor.

24           THE COURT: Okay. Now, understanding that, is it  
25 still the desire of Tiger Asia Management to enter a guilty

1 plea in this case?

2 THE DEFENDANT: Yes, Your Honor.

3 THE COURT: Okay. Now, there are only two other  
4 questions which I do want to ask you, all right, before we go  
5 into what conduct Tiger Asia Management engaged in.

6 But, sir, have you had any drugs or alcohol within  
7 the last 72 hours? And that includes medication.

8 THE DEFENDANT: No, sir.

9 THE COURT: Okay. Have you ever been treated for any  
10 mental disease or disorder?

11 THE DEFENDANT: No, sir.

12 THE COURT: All right. At this point, I'm going to  
13 ask you some questions about what happened in this case.

14 I would like to direct your attention to the period  
15 from in or about December of 2008 through in or about January  
16 of 2009.

17 During that time, was Tiger Asia Management, LLC, a  
18 limited liability company with headquarters in New York, New  
19 York?

20 THE DEFENDANT: Yes, sir.

21 THE COURT: During that period, did Tiger Asia  
22 Management serve as the investment manager of the Tiger Asia  
23 Overseas Fund, Limited, and as the management company for the  
24 Tiger Asia Fund, L.P., which were hedge funds that specialized  
25 in Asian traded equities?

1 THE DEFENDANT: Yes.

2 THE COURT: Between in or about December of 2008 and  
3 in or about January of 2009, did Raymond Park serve as Tiger  
4 Asia Management's head of trading?

5 THE DEFENDANT: Yes, sir.

6 THE COURT: In that position, was Raymond Park  
7 responsible for placing securities trades on behalf of the  
8 Tiger Asia Overseas Fund, Limited, and the Tiger Asia Fund,  
9 L.P., collectively, the Tiger Asia Funds?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: On three separate occasions between  
12 December 2008 and January of 2009, was Raymond Park approached  
13 by investment bankers who sought to gauge Tiger Asia's  
14 interest in participating in a block sale of stock?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: On each of these occasions, did Raymond  
17 Park agree on behalf of Tiger Asia Management to be "brought  
18 over the wall"?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: By agreeing to be brought over the wall,  
21 did Raymond Park agree that Tiger Asia Management would keep  
22 information disclosed to Mr. Park confidential and not buy or  
23 sell securities on the basis of that information?

24 THE DEFENDANT: Yes, Your Honor.

25 THE COURT: On each of these occasions, did Tiger

1 Asia Management violate the agreement and in fact unlawfully  
2 use information disclosed in confidence -- in confidence to  
3 Raymond Park to make profitable securities trades?

4 THE DEFENDANT: Yes, Your Honor.

5 THE COURT: For example, on or about December 18th of  
6 2008, did a representative of UBS AG contact Raymond Park and  
7 ask Mr. Park whether Tiger Asia Management wanted to be  
8 wall-crossed with respect to the sale of a large block of  
9 stock in which UBS was acting as a placement agent?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: And did the UBS representative tell  
12 Raymond Park that if Tiger Asia Management agreed to be  
13 wall-crossed, it would have to keep the information that would  
14 be disclosed confidential and could not trade in the  
15 securities that were the subject of that information?

16 THE DEFENDANT: Yes, Your Honor.

17 THE COURT: Did Raymond Park agree on behalf of Tiger  
18 Asia Management to these restrictions?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: Once Raymond Park agreed to these  
21 restrictions, did the UBS representative tell him that UBS  
22 intended to sell approximately 3.3 billion shares of Bank of  
23 China Limited stock at a discount of between approximately  
24 8 and approximately 10 percent of the market price and that  
25 the deal would close on or about December 31st of 2008?

1 THE DEFENDANT: Yes, sir.

2 THE COURT: On or about December 22nd of 2008, did  
3 the UBS representative send an email to Raymond Park  
4 confirming their prior conversation in which Mr. Park had  
5 agreed to be brought over the wall?

6 THE DEFENDANT: Yes, Your Honor.

7 THE COURT: And did Raymond Park confirm his receipt  
8 of this December 22nd email?

9 THE DEFENDANT: Yes, Your Honor.

10 THE COURT: Did Tiger Asia Management violate Raymond  
11 Park's agreement with UBS to keep the information concerning  
12 Bank of China stock confidential and not to trade on it?

13 THE DEFENDANT: Yes, Your Honor.

14 THE COURT: Specifically, between on or about  
15 December 22nd of 2008 and on or about December 30th of 2008,  
16 did Tiger Asia Management cause the Tiger Asia Funds to short  
17 sale a total of approximately 87 million shares of Bank of  
18 China stock?

19 THE DEFENDANT: Yes, sir.

20 THE COURT: By covering the approximately 87 million  
21 shares of Bank of China stock that Tiger Asia Funds short sold  
22 between on or about December 22nd of 2008 and on or about  
23 December 30th of 2008 with the shares acquired from UBS at a  
24 discount in the block sale, did the Tiger Asia Funds profit by  
25 more than approximately \$3,200,000?

1 THE DEFENDANT: Yes, sir.

2 THE COURT: On or about January 5th of 2009, did a  
3 representative of UBS contact Raymond Park and tell him that  
4 he had price-sensitive information regarding a block sale in  
5 which Tiger Asia Management might be interested and asked  
6 Mr. Park whether he wanted to be wall-crossed?

7 THE DEFENDANT: Yes, sir.

8 THE COURT: Did Raymond Park agree on behalf of Tiger  
9 Asia Management to be wall-crossed?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: And did the UBS representative then tell  
12 Raymond Park that Bank of America intended to sell  
13 approximately 5.6 billion shares of China Construction Bank  
14 Corporation stock at a discount of approximately 15 percent of  
15 market price and that the deal would close within  
16 approximately 48 hours?

17 THE DEFENDANT: Yes, Your Honor.

18 THE COURT: Did Tiger Asia Management violate Raymond  
19 Park's agreement with UBS to keep the information concerning  
20 China Construction Bank stock confidential and not to trade on  
21 it?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: Specifically, on or about January 6th of  
24 2009, did Tiger Asia Management cause the Tiger Asia Funds to  
25 short sell approximately 93 million shares of China

1 Construction Bank stock?

2 THE DEFENDANT: Yes, sir.

3 THE COURT: By covering the approximately 93 million  
4 shares of China Construction Bank stock that the Tiger Asia  
5 Funds sold -- short sold on or about January 6th of 2009 with  
6 the shares purchased from Bank of America in the block sale on  
7 or about January 7th of 2009, did the Tiger Asia funds profit  
8 by more than approximately \$7 million?

9 THE DEFENDANT: Yes, Your Honor.

10 THE COURT: On or about January 11th of 2009, did  
11 representatives of Morgan Stanley H.K. contact Raymond Park at  
12 Tiger Asia Management and tell him that Morgan Stanley H.K.  
13 had confidential material and nonpublic information regarding  
14 a potential block sale of stock that Tiger Asia Management  
15 might be interested in and then ask whether Mr. Park wanted to  
16 be wall-crossed?

17 THE DEFENDANT: Yes, Your Honor.

18 THE COURT: Did Raymond Park agree on behalf of Tiger  
19 Asia Management to be wall-crossed?

20 THE DEFENDANT: Yes, sir.

21 THE COURT: Did a Morgan Stanley H. K. representative  
22 then tell Raymond Park that Royal Bank of Scotland intended to  
23 sell approximately 10.8 billion shares of Bank of China stock  
24 at a discount of approximately 7 percent and approximately --  
25 between approximately 7 percent and approximately 11 percent



1 of market price and that the deal would close within  
2 approximately 24 to 48 hours?

3 THE DEFENDANT: Yes, sir.

4 THE COURT: Did Tiger Asia Management violate Raymond  
5 Park's agreement with Morgan Stanley H. K. to keep the  
6 information concerning Bank of China stock confidential and  
7 not to trade on it?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: Specifically, on or about January 12th  
10 and January 13th of 2009, did Tiger Asia Management cause the  
11 Tiger Asia Funds to short sell approximately 282,000 --  
12 282 million shares of Bank of China stock?

13 THE DEFENDANT: Yes, Your Honor.

14 THE COURT: By covering the approximately 282 million  
15 shares of Bank of China stock that they short sold on or about  
16 January 12th and January 13th of 2009 with the shares  
17 purchased from Royal Bank of Scotland at a discount from the  
18 block sale on or about January 13th of 2009, did Tiger Asia  
19 Funds profit by more than approximately \$5,700,000?

20 THE DEFENDANT: Yes, Your Honor.

21 THE COURT: On or about December 22nd of 2008, did  
22 Tiger Asia Management cause an interstate wire to be  
23 transmitted, namely, a short sale of approximately 7,310,000  
24 shares of Bank of China stock, which cleared electronically  
25 through Tiger Asia Fund, L.P.'s account at Morgan Stanley?

1 THE DEFENDANT: Yes, Your Honor.

2 THE COURT: In committing the actions described in  
3 the information, did Tiger Asia Management act knowingly,  
4 willfully and intentionally?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: And is Tiger Asia Management guilty of  
7 the offense set forth in the information?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: And I gather that the United States  
10 represents that they would be able to prove all the elements  
11 of the wire fraud in this matter if the case were brought to  
12 trial.

13 Is that correct?

14 MR. KELLY: Yes, Your Honor.

15 THE COURT: All right. The Court is satisfied that  
16 Tiger Asia Management's decision to enter a guilty plea in  
17 this case is a knowing, intelligent and voluntary one and,  
18 furthermore, that there's an adequate factual bases to support  
19 the entry of a guilty plea in this case.

20 Mr. Wong, how does Tiger Asia Management plead with  
21 regard to this information, guilty or not guilty?

22 THE DEFENDANT: Guilty.

23 THE COURT: A guilty plea will be entered on the  
24 docket.

25 It's the Court's understanding that the parties wish

1 to immediately proceed to sentencing.

2 Is that correct?

3 MR. LUSTBERG: That is correct, Your Honor.

4 MR. KELLY: Yes, Your Honor.

5 THE COURT: All right. At this point, I will hear  
6 anything which the Government wishes to spread on the record  
7 and then anything which Mr. Lustberg wishes to spread on the  
8 record.

9 MR. KELLY: Your Honor, as Your Honor mentioned, the  
10 parties have made certain recommendations in the plea  
11 agreement as to what sentence they -- we recommend that the  
12 Court impose.

13 And those recommendations include the \$400 special  
14 assessment, that the Court waive any petitions of fine in  
15 light of the forfeiture, that Tiger Asia Management be subject  
16 to a period of probation of one year.

17 Your Honor, we recommended a -- such a limited term  
18 of probation in this matter at least in part because Tiger  
19 Asia Management is in the process or has recently completed  
20 winding down and will no longer manage funds for outside  
21 investors.

22 As Your Honor put on the record, the parties have  
23 agreed to a criminal forfeiture in the amount of \$16,257,918,  
24 which is to be paid today.

25 And pursuant to that forfeiture agreement, the

1 parties have entered into a consent judgment and order of  
2 forfeiture for Your Honor's consideration and signature.

3 THE COURT: Okay. Thank you.

4 Mr. Lustberg.

5 MR. LUSTBERG: That's correct, Your Honor.

6 I would note that this is a matter that was  
7 negotiated at length and in a lengthy and constructive process  
8 between the parties.

9 It reflects a just resolution of this matter, and we  
10 would request that the Court impose the sentence in accordance  
11 with the plea agreement and in accordance with the agreement  
12 between the parties.

13 THE COURT: Thank you.

14 All right. The Court understands that in this  
15 particular case, since the defendant is a corporation, the  
16 guidelines would actually only be involved in calculating what  
17 the amount of restitution might be.

18 Is that correct?

19 MR. LUSTBERG: No, Judge. Just the fine.

20 THE COURT: Just the fine.

21 MR. LUSTBERG: Right.

22 THE COURT: All right. And my understanding is that  
23 the agreed fine would be within the guidelines that would be  
24 calculated.

25 Is that correct?

1 MR. LUSTBERG: Well, Your Honor, the agreed fine  
2 here, the agreed-upon fine is zero. And the reason --

3 THE COURT: I'm sorry. The forfeiture.

4 MR. LUSTBERG: Right. Well, the forfeiture -- I'm  
5 not a hundred percent sure of that. But the forfeiture  
6 reflects the total loss that's at issue here --

7 THE COURT: Okay.

8 MR. LUSTBERG: -- and is, as the Court can tell, a  
9 very significant amount of money. And it was the parties'  
10 agreement that that would take care --

11 THE COURT: Fine.

12 MR. LUSTBERG: -- of all of the financial  
13 considerations that ought to be part of the sentencing.

14 THE COURT: Okay. Thank you.

15 MR. KELLY: Yes, Your Honor.

16 THE COURT: And would that be the Government's  
17 position also?

18 MR. KELLY: Yes, Your Honor.

19 THE COURT: All right. And I gather that both  
20 parties are essentially saying that, in fact, doing a  
21 guideline calculation on this would, in effect, not have any  
22 real impact on what the Court's sentence should be in this  
23 case.

24 Is that correct?

25 MR. KELLY: Correct, Your Honor. It would only apply

1 to the imposition of the fine, and the parties agreed to  
2 recommend that no fine be imposed.

3 THE COURT: Very good. All right.

4 The Court is satisfied that the interests of justice  
5 are indeed appropriately served by the agreed sentence that  
6 the parties have reached.

7 They have agreed to a forfeiture to the United States  
8 Government of \$16,257,918, which appears to be the entire loss  
9 that was suffered.

10 It further appears that this company is in the  
11 process of winding down, and it has been represented to the  
12 Court that that is indeed the case.

13 Therefore, under those circumstances, the Court does  
14 conclude that the imposition of a monetary fine is not in the  
15 interest of either the parties or the victims or the U.S.  
16 Government since that total amount of money that has been  
17 improperly gained will be forfeited to the Government.

18 The Court does conclude, then, that a probationary  
19 sentence with the corporation being placed on probation for a  
20 term of one year, in conjunction with the agreed forfeiture  
21 order -- and I understand that there is a proposed forfeiture  
22 order that will be submitted to the Court.

23 MR. KELLY: Yes, Your Honor, which I can hand up now.

24 THE COURT: -- is -- thank you.

25 MR. LUSTBERG: And again, for the record, that entire

1 amount of the forfeiture was paid earlier to the Government  
2 earlier this morning.

3 THE COURT: Thank you.

4 The defendant will be placed on probation subject to  
5 the standard conditions of the probation that have been  
6 promulgated the probation department for the U.S. District  
7 Court for the District of New Jersey. Additionally, the  
8 defendant shall pay a special assessment of \$400 which shall  
9 be due immediately.

10 The Court advised defendant that it does have the  
11 right to appeal the sentence and conviction in this matter to  
12 the extent permitted by its appeal waiver and that it may  
13 proceed to, if it wishes to, file such a notice of appeal.

14 If it can't afford to pay for the filing of notice of  
15 appeal, it may request the Clerk of the Court to file a notice  
16 of appeal on its behalf.

17 And that constitutes the sentence and judgment of the  
18 Court.

19 Anything further?

20 MR. LUSTBERG: No. Thank you very much.

21 MR. KELLY: No, Your Honor. Thank you.

22 THE COURT: Thank you very much.

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FEDERAL OFFICIAL COURT REPORTER'S CERTIFICATE

I certify that the foregoing is a true and correct transcript, to the best of my ability, of the above pages, of the stenographic notes provided to me by the United States District Court, of the proceedings taken on the date and time previously stated in the above matter.

I further certify that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not financially nor otherwise interested in the outcome of the action.

/S/ Joanne Sekella, CCR, CRCR, RDR

September 25, 2023

*United States District Court  
District of New Jersey*

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